D.T.E. 01-71A

Investigation by the Department of Telecommunications and Energy on its own motion, pursuant to G.L. c. 164, §§ 1E, 76 and 93, into Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company, d/b/a NSTAR Electric's service quality filings, including but not limited to, their service quality filings submitted in response to Service Quality Standards for Electric Distribution Companies and Local Gas Distribution Companies, D.T.E. 99-84.

PROCEDURAL ORDER

I. <u>INTRODUCTION</u>

On September 7, 2001, the Department of Telecommunications and Energy ("Department") opened an investigation into the quality of electric service provided by the electric distribution companies. Investigation into Quality of Electric Service, D.T.E. 01-71 (2001). The Department stated that this investigation will include, but is not limited to, the service quality ("SQ") plan that Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company, d/b/a NSTAR Electric's ("NSTAR" or "Company") filed pursuant to the Order issued by the Department on June 29, 2001 in Service Quality Standards for Electric Distribution Companies and Local Gas Distribution Companies, D.T.E. 99-84. Id. at 1.

The Department stated that this investigation will determine whether NSTAR's SQ plan and performance complies with the guidelines established by D.T.E. 99-84 pursuant to G.L. c. 164, § 1E.² Id. In addition, the Department stated it will consider its directives to

By Letter Order dated December 5, 2001, the Department approved the SQ compliance filings for Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company ("Individual SQ Plans") subject to modification. Letter Order at 3. These Individual SQ Plans will be investigated by the Department in D.T.E. 01-71A. The Department stated that, at the conclusion of D.T.E. 01-71A, "the Department may determine that modification of the SQ plans is appropriate." Id.

The Department's Order in D.T.E. 99-84 established SQ guidelines and penalties to be included in performance-based regulation plans and SQ plans for gas and electric distribution companies pursuant to G.L. c. 164, § 1E. The Order specified performance standards and reporting requirements for customer service and billing, customer satisfaction, staffing levels, safety, and reliability. The Order also named other performance categories for which reporting of information is required but for which G.L. c. 164, § 1E <u>per se</u> makes no express penalty provision. General Laws c. 164, § 93, however, authorizes broader investigation.

NSTAR in <u>Boston Edison Company/ComEnergy Acquisition</u>, D.T.E. 99-19, at 106-107 (1999) as a basis for applying SQ penalties for the period between merger/acquisition consummation and the start of statutory penalties established pursuant to D.T.E. 99-84. <u>Id.</u>

In this phase of the investigation, the Department will focus on: (1) whether NSTAR has met the service quality thresholds established by the Department in D.T.E. 99-84, beginning September 1, 1999, and, (2) if not, what penalties should be imposed by the Department on the Company.³

II. PROCEDURAL SCHEDULE

After due consideration, we determine that the following schedule will allow the Department to conduct this proceeding in the most efficient manner:

By letter dated August 10, 2001, the Department directed the NSTAR Companies and the other Chapter 164 electric companies to undertake an examination of the underlying causes for the distribution system outages experienced during Summer 2001, a diagnosis of any operational or physical problems in the distribution system, and a plan to reduce or, where feasible, eliminate the risk of recurrence ("Self-Assessment Reports"). On August 24, 2001, the Department opened an investigation into the NSTAR Companies' Self-Assessment Reports. Order Opening Investigation,

D.T.E. 01-65. Additional public hearings will be held in D.T.E. 01-65 and the other related dockets starting on or about January 15-17, 2002. The Department takes administrative notice in this present docket of the October 29, 2001 Self-Assessment Reports filed in D.T.E. 01-65. 220 C.M.R. § 1.10(3).

Intervention Deadline	November 19, 2001
Service Territory Public Hearings	November 26, 2001 November 27, 2001 November 28, 2001 November 29, 2001 ⁴
Discovery Begins	December 6, 2001
Pre-Filed Testimony of NSTAR	December 14, 2001
Pre-Filed Testimony of Intervenors	December 21, 2001
Last Day to Issue Discovery	January 4, 2002
Final Discovery Responses Due	January 11, 2002
Evidentiary Hearings	January 22, 2002 January 23, 2002 January 24, 2002 January 25, 2002
Simultaneous Initial Briefs	Two weeks after the close of evidentiary hearings ⁵
Simultaneous Reply Briefs	Three weeks after the close of evidentiary hearings ⁶

Although joint public hearings are being held in conjunction with <u>Investigation into the service quality of Boston Edison Company</u>, <u>Cambridge Electric Light Company</u>, and <u>Commonwealth Electric Company</u>, <u>d/b/a NSTAR Electric</u>, D.T.E. 01-65, these two proceeding are not consolidated for the purpose of investigation.

For example, if the last day of evidentiary hearings is January 24, 2002, simultaneous initial briefs will be due no later than the close of business on February 7, 2002.

For example, if the last day of evidentiary hearings is January 24, 2002, simultaneous reply briefs will be due no later than the close of business on February 14, 2002.

III. <u>ORDER</u>

Accordingly, after due consideration, it is hereby

<u>ORDERED</u>: That the parties shall follow the above described procedural schedule for the remainder of this proceeding.

By Order of the Department,
James Connelly, Chairman
W. Robert Keating, Commissioner
Paul B. Vasington, Commissioner
Eugene J. Sullivan, Jr. Commissioner
Deirdre K Manning Commissioner